

Representative Dan N. Johnson proposes the following substitute bill:

LOCAL GOVERNMENT COOPERATION CONTRACTS

2020 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Dan N. Johnson

Senate Sponsor: Curtis S. Bramble

LONG TITLE

General Description:

This bill requires cities and counties to provide or contract for emergency medical services within their jurisdictions.

Highlighted Provisions:

This bill:

- provides that cities and counties shall provide or contract for emergency medical services within their jurisdictions;
- creates an Emergency Medical Services Mediation Panel within the Department of Health;
- provides that if mediation fails, binding arbitration may be requested; and
- makes technical corrections.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

26-8a-408, as last amended by Laws of Utah 2017, Chapter 326



ENACTS:

11-7a-101, Utah Code Annotated 1953

11-7a-102, Utah Code Annotated 1953

11-7a-103, Utah Code Annotated 1953

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **11-7a-101** is enacted to read:

11-7a-101. Emergency medical services -- Contracts.

(1) The governing body of every incorporated municipality and each county shall, subject to Title 26, Chapter 8a, Part 4, Ambulance and Paramedic Providers, provide and maintain adequate emergency medical services within their own territorial limits through cooperation with contiguous counties, municipal corporations, private corporations, nonprofit corporations, state agencies, fire districts, or federal governmental agencies.

(2) Each incorporated municipality and county may:

(a) maintain and support emergency medical services for its own jurisdiction; or

(b) contract to jointly provide with, furnish to, or contribute toward the support of emergency medical services to any proximate:

(i) county;

(ii) municipal corporation;

(iii) private corporation;

(iv) nonprofit corporation;

(v) emergency medical service local district or special service district;

(vi) state agency; or

(vii) federal agency.

(3) Contracts entered into in accordance with Subsection (2)(b), or agreements for ground ambulance, paramedic ambulance, or paramedic rescue shall be with the geographical licensed provider in accordance with Section [26-8a-408](#).

(4) Contract fees or agreements for emergency medical services shall be reasonably related to the cost of services, to include all existing relevant revenue and inter-governmental revenue sources, taxes, and fees and expenses paid by the contracting entity.

(5) Contract disputes shall be mediated by the Emergency Medical Services Mediation

Panel created in Section [11-7a-102](#).

Section 2. Section **11-7a-102** is enacted to read:

11-7a-102. Emergency Medical Services Mediation Panel.

(1) There is created an Emergency Medical Services Mediation Panel within the Department of Health to mediate emergency medical service license agreement disputes. The panel is exempt from the provisions of Section [26-1-7.1](#).

(2) The panel shall be appointed as needed by the State Emergency Medical Services Committee and composed of:

(a) a rural emergency medical services director or coordinator;

(b) an urban emergency medical services director or coordinator;

(c) a rural fire chief;

(d) an urban fire chief;

(e) depending on the type of mediation to be conducted, two representatives from a combination of the following:

(i) the League of Cities and Towns;

(ii) the Utah Association of Counties;

(iii) a medical service local district; or

(iv) a medical service special service district; and

(f) a financial auditor selected by the executive director of the department of health.

(3) The panel shall conduct mediations as needed in accordance with procedures developed by the Bureau of Emergency Medical Services within the department of health.

(4) A member may not receive compensation or benefits for the member's service, but may receive per diem and reimbursement for travel expenses incurred as a member of the committee at the rates established by the Division of Finance under Sections [63A-3-106](#) and [63A-3-107](#).

(5) Administrative and staff support shall be provided by the Department of Health.

Section 3. Section **11-7a-103** is enacted to read:

11-7a-103. Mediation procedure -- Arbitration.

(1) Emergency medical service license agreement disputes shall be presented to the Department of Health for resolution through mediation.

(2) Disputes shall be submitted to the department for mediation through a process

created by the department.

(3) If the panel cannot come to a resolution that all the parties agree to, the service provider shall have the option of being released from the obligation to provide services to that particular incorporated municipality or county. The municipality or county which has been vacated or orphaned shall contract with another licensed provider or apply for licensure in accordance with Title 26, Chapter 8a, Utah Emergency Medical Services System Act.

(4) If, at the conclusion of an unsuccessful mediation, the existing provider did not choose the option of being released from the obligation to provide services, either party may request binding arbitration to resolve the dispute.

(a) The Department of Health shall coordinate the hiring of a third party arbitrator who is acceptable to all parties.

(b) The cost of the arbitration shall be borne equally by the parties.

(c) The final decision may result in the licensed agency being released from services in the disputed geographical area or the arbitrator may set the per capita service cost and service level to be provided.

Section 4. Section **26-8a-408** is amended to read:

26-8a-408. Criteria for determining public convenience and necessity.

(1) The criteria for determining public convenience and necessity is set forth in Subsections (2) through (6).

(2) Access to emergency medical services shall be maintained or improved. The officer shall consider the impact on existing services, including the impact on response times, call volumes, populations and exclusive geographic service areas served, and the ability of surrounding licensed providers to service their exclusive geographic service areas. The issuance or amendment of a license may not create an orphaned area, except in mediation cases as described in Section [11-7a-103](#).

(3) The quality of service in the area shall be maintained or improved. The officer shall consider the:

- (a) staffing and equipment standards of the current licensed provider and the applicant;
- (b) training and licensure levels of the current licensed provider's staff and the applicant's staff;
- (c) continuing medical education provided by the current licensed provider and the

119 applicant;

120 (d) levels of care as defined by department rule;

121 (e) plan of medical control; and

122 (f) the negative or beneficial impact on the regional emergency medical service system

123 to provide service to the public.

124 (4) The cost to the public shall be justified. The officer shall consider:

125 (a) the financial solvency of the applicant;

126 (b) the applicant's ability to provide services within the rates established under Section

127 26-8a-403;

128 (c) the applicant's ability to comply with cost reporting requirements;

129 (d) the cost efficiency of the applicant; and

130 (e) the cost effect of the application on the public, interested parties, and the emergency

131 medical services system.

132 (5) Local desires concerning cost, quality, and access shall be considered. The officer

133 shall assess and consider:

134 (a) the existing provider's record of providing services and the applicant's record and

135 ability to provide similar or improved services;

136 (b) locally established emergency medical services goals, including those established in

137 Subsection (7);

138 (c) comment by local governments on the applicant's business and operations plans;

139 (d) comment by interested parties that are providers on the impact of the application on

140 the parties' ability to provide emergency medical services;

141 (e) comment by interested parties that are local governments on the impact of the

142 application on the citizens it represents; and

143 (f) public comment on any aspect of the application or proposed license.

144 (6) Other related criteria:

145 (a) the officer considers necessary; or

146 (b) established by department rule.

147 (7) Local governments shall establish cost, quality, and access goals for the ground

148 ambulance and paramedic services that serve their areas.

149 (8) In a formal adjudicative proceeding, the applicant bears the burden of establishing

150 that public convenience and necessity require the approval of the application for all or part of
151 the exclusive geographic service area requested.